



DEPARTMENT OF THE AIR FORCE  
WASHINGTON DC

OFFICE OF THE ASSISTANT SECRETARY

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MEMORANDUM FOR ALMAJCOM-DRU-FOA/FM

FROM SAF/FM  
1130 Air Force Pentagon  
Washington, DC 20330-1130

SUBJECT: Interim Guidelines, Procedures, and Responsibilities for the Air Force Travel Card Program (Individually Billed Accounts)

As part of the FY 2003 and FY 2004 Appropriation and Authorization Acts, Congress enacted several legislation changes to further control government charge cards and to ensure the timely payment of account balances. These changes included mandates for the Department of Defense (DoD) to: a) determine credit worthiness before issuing a charge card, b) develop a comprehensive disciplinary action policy for misuse or abuse of the travel card, c) authorize mandatory split disbursement at travel settlement, and d) authorize mandatory salary offset to satisfy delinquent travel charge card debt.

Along those lines, I'm providing interim guidance on procedures and responsibilities required to effectively manage the Air Force Government Travel Card Program (GTC) individually billed accounts (Atch 1). This guidance supplements the DoD Financial Management Regulation and implements certain actions directed as a result of Congressional hearings, General Accounting Office and Air Force Audit Agency reports, and the DoD Charge Card Task Force Report. Again, please ensure you use this guidance *in conjunction* with the DoD Financial Management Regulation until superseded by official Air Force regulation and instructions.

Although DoD has issued guidance on GTC topics such as disciplinary action, minimum credit score for military personnel, and salary offset, additional guidance on creditworthiness, and local bargaining with labor unions on mandatory split disbursement is still pending. In the interim, the Air Force is leaning forward with the guidelines at Atch 1 effective immediately. Please ensure the widest dissemination. My POC is Ms Jodie Davis, comm 703-614-5412 or DSN 224-5412.

MICHAEL MONTELONGO  
Assistant Secretary of the Air Force  
(Financial Management and Comptroller)

Attachments:

1. GTC Interim Guidelines
2. Background Information

*Financing the Fight*

**Air Force Travel Charge Card Program Individually Billed Account (IBA)  
Interim Guidelines Implementing the DoDFMR Volume 9, Chapter 3  
January 2004**

**AIR FORCE TRAVEL CHARGE CARD GENERAL POLICY GUIDELINES.** The following Air Force travel charge card guidelines are effective immediately and will remain in effect until modified or cancelled.

**Use of the Travel Card.** Under Public Law 105-264, all DoD personnel are required to use the government-sponsored, contractor-issued travel charge card (GTC) for expenses arising from official government travel, unless otherwise exempted IAW DoD Financial Management Regulation, Volume 9, Chapter 3, paragraph, 030302.A.2.b. Travel orders shall contain a statement notifying the traveler whether mandatory use of the travel card is required or whether the traveler is exempt from the mandatory use provision. Failure to use the GTC will not be a basis for refusing to reimburse the traveler for otherwise appropriate charges; however, such failure may subject the traveler to appropriate administrative or disciplinary action. It is incumbent upon Air Force managers at all levels to ensure compliance with this legislation.

**Infrequent Traveler Exemption.** Individuals who travel one or two times a year (12-month period) are exempt from mandatory use of the individually billed GTC. Travel orders should indicate the traveler is exempt from the mandatory GTC use provision.

**Permanent Change of Station (PCS) Exemption.** Use of the travel charge card for PCS travel expenses is not subject to mandatory use. If the card is used for PCS expenses, normal payment terms and disciplinary actions for non-payment apply.

1. **PCS Transfers within the Air Force.** When an Air Force military or civilian GTC cardholder transfers (PCS) within the Air Force, his/her travel card account will remain active for up to 60 days or whenever he/she signs in the new unit. If the cardholder does not contact the APC at the new duty station and have the account transferred within 60 days, the GTC will automatically be deactivated.

2. **PCS to Other Agency.** GTCs for Air Force military or civilian members leaving the Air Force (transferring to another government agency, separating, retiring, etc) will be deactivated immediately. See Attachment A.

**Deployment Exemption.** Travel expenses associated with mission deployments (i.e.: travel from the residence/home station to the port of debarkation) are exempted from mandatory use of the travel charge card. Specifically, ~~cardholders are prohibited from using their travel charge card for travel expenses regarding deployments, mobilizations, or contingency operations. Rather, supervisors should authorize advances and use of personal charge cards on official travel orders if needed.~~ use of the travel charge card is authorized, but not required for air fare, lodging, and other official travel expenses incurred in route to deployed locations. Cardholders are also authorized to use their travel charge card for official travel expenses while on mobility and at deployed or contingency locations. Approving officials may authorize advances or use of a personal credit card on official travel orders, if needed, for those travelers not authorized travel charge cards. (Revised 12 May 04, SAF/AFAFO (Liaison Office), email "GTC Guidelines RE: Deployment Exemption Paragraph Revision.")

**Advance Conference/Registration Fees.** Commands and activities should not use the travel charge card to pay for conference/registration fees unless absolutely necessary (i.e.: included in the total cost of the event – room, meals, conference/registration fees, etc. one set dollar amount). As a rule, conference/registration fees should be paid with a training request (DD 1556) or a purchase card.

**Air National Guard or Air Force Reserve Mobilization.** If Air National Guard or Air Force Reserve personnel are mobilized and they have a travel charge card, the card will be transferred into the active duty unit's hierarchy and deactivated until required for official TDY travel. If a Guard or Reserve member does not have a card, but needs to accomplish TDY travel, the active duty unit may issue him/her a travel charge. However, the card should be cancelled when the member returns to their Guard or Reserve unit.

**Creditworthiness.** IAW Public Law (Attachment B and C), the bank will perform a credit evaluation of all DoD applicants and will not issue a GTC to any applicant who scores below the Department of Defense (DoD)-established lending criteria. Individuals who decline a credit check will be asked to self-certify to their creditworthiness. To clarify, the Air Force will implement the DoDFMR, Volume 9, Chapter 3, paragraphs 030503.B. and 030605 as follows. If the Air Force member:

1. Refuses both the credit check and the self-certification, they will not be issued a travel card and they are not eligible to receive a travel advance.
2. Refuses the credit check but agrees to the self-certification, they will be issued a restricted travel charge card.
3. Agrees to a credit check but does not meet the DoD-established criteria, they will not be issued a travel charge card and may receive a travel advance.

**Split-Disbursement.** IAW the Public Law 107-314, split disbursement of GTC travel vouchers is mandatory for all military personnel and by default for all DoD civilians unless otherwise stipulated in travel orders. Specifically, when preparing an official travel voucher, the cardholder should use the split-disburse feature in the travel system for all expenses charged to the GTC. There are no exceptions or separate procedures for senior managers or general officers. See Attachment D for specific procedures.

**Delinquent Accounts.** If the cardholder does not pay his/her GTC bill in full within 61 days of the due date, the card will automatically be suspended and cannot be used until the delinquent balance is paid. When that account is 75 days past due, a \$29.00 late fee will be assessed and an additional \$29 fee assessed each cycle thereafter until delinquent balance is paid. Late fees are the responsibility of the individual unless the government is at fault for the delay. In those cases, late fees may be claimed as reimbursable expenses.

**Credit Revoked Accounts.** The bank automatically credit revokes (closes) the account if the cardholder:

1. has been suspended two times during a 12-month period for undisputed amounts and is past due again (45 calendar days from the closing date on the statement of account in which the charge appears);
2. is past due for undisputed amounts at 120 calendar days past the closing date on the statement in which the charge appeared; or
3. has used the card for other than authorized purchases and cancellation is approved by the APC. Reinstatement of these cards is at the discretion of the bank.

When an account is closed due to any of the above three reasons, the bank generally will not reinstate/re-open the account. There is no provision in the Travel Card contract for the Government to require the bank to reinstate such accounts. The bank has reinstated accounts after a complete review of the account history and circumstances; however, there have been few exceptions to the bank rule. If an HL 3 has documentation/evidence to support that a card was credit revoked "do to no fault of the cardholder (e.g.: documented Air Force or bank error)," he/she should send the documentation to the Air Force banking officer. The Air Force banking officer will review the documentation, and based on its strength, follow-up with the bank on the cardholder's behalf. However, there is no guarantee the GTC will be reinstated.

**Salary Offset.** In addition, accounts that are over 120 days past due may be referred for salary offset. In the salary offset process, the Bank provides a notice of referral at 90 days past due. Accounts are then forwarded to DFAS for offset if the balance has not been paid after 120 days. Additional fees apply. Up to 15 percent from the cardholder's salary per pay period may be deducted until the GTC debt is paid.

**Charge-offs.** GTCs delinquent for 210 consecutive days, and not collected through salary offset, will be charged-off and reported to credit bureaus.

**Mission Critical Status.** An APC may place a cardholder's account in Mission Critical Status when the cardholder is under official travel orders and performing duties that, through no fault of their own, may prohibit the prompt payment of an outstanding GTC bill. Personnel in this category will be determined on a case-by-case basis and designated by their supervisor on their travel order. While officially in this category, individually billed GTCs will not be suspended or closed. The cardholder must pay any/all outstanding GTC amounts within 45 days of removal from Mission Critical Status. If not paid within the 45 days, the GTC will be automatically closed per the delinquent account procedures detailed above.

✓ **RESPONSIBILITIES OF COMMANDERS AND SUPERVISORS.** Commanders and supervisors are responsible for the effective administration and management of the Travel Charge Card Program in their organizations. Commanders and supervisors must accomplish the following:

**Resources.** Adequately resource the APC position to meet program needs. The individual appointed should possess the knowledge, skills, and abilities required to carry out the responsibilities effectively. Analytic ability, effective communication and computer literacy are the primary skills necessary. In addition, commanders should give APCs the necessary amount of time to perform day-to-day APC responsibilities. To avoid high APC turnover, commanders should evaluate the feasibility of using civilian personnel in this position whenever possible. Finally, the opportune number of cardholders assigned to any one APC is 200. The number of cardholders assigned to any one APC should not exceed 300 cardholders.

**APC Assignment/Revocation.** Commanders (designees) should designate or revoke travel charge card APCs in writing (See Attachment E) and retain the letter in file for at least 7 years after the APC is replaced. The commander (designee) should email a copy of the Assignment/Revocation Form to the Air Force Banking Officer at email address; [josephine.davis@pentagon.af.mil](mailto:josephine.davis@pentagon.af.mil).

✓ **APC Training.** Ensure that all APCs are fully trained to perform their tasks. At minimum, training should include:

1. Electronic Account Government Ledger System (EAGLS) from the Bank of America to manage the program and monitor how cardholders are using their cards. Upon assignment, send the APC to training either with an experienced APC or at the Bank of America Norfolk, Virginia office.
2. Online training at [http://www.moneychoices.com/course9/travel\\_card.asp](http://www.moneychoices.com/course9/travel_card.asp) as well as any standard DoD-issued training for APC responsibilities.
3. Additional training primarily directed at cardholders but which APCs may wish to be familiar can be obtained at <http://fss.gsa.gov/webtraining/trainingdocs/traveltraining/index.cfm>.

**Cardholder Training.** Ensure APCs provide their cardholders with initial training and annual refresher training on the Travel Charge Card Program and cardholder responsibilities. Retain documentation of completion of training.

**Travel System Training.** Ensure cardholders receive training on the appropriate travel system (i.e.: DTS, RTS, FAST), including how to use the split disbursement feature for all GTC expenses.

**Review of Travel Claims.** Supervisors or approving officials are required to review and sign all travel claims IAW Department of Defense Financial Management Regulation, Volume 9, Chapter 5, paragraph 050201.F. and return to the traveler, any travel claims that fail to designate government travel card charges for split disbursement. The supervisor must review all required GTC receipts and ensure that all GTC charges are split-disbursed. Split disbursement is mandatory for military personnel for the total of their outstanding balance. Split disbursement is encouraged for civilian personnel until bargaining obligations are met for the mandatory use. Supervisors should review the use of split disbursement when considering taking administrative or disciplinary action for non-payment of travel card debts.

**Disciplinary Actions:** Commanders and supervisors are expected to take appropriate disciplinary action, consistent with Department of Defense guidelines, for cardholder delinquency and cardholder improper, fraudulent, abusive, or negligent GTC use. Appropriate disciplinary action should be taken even if the cardholder is on the Salary Offset Plan or Reduced Payment Plan. See Attachment F-1 – Military and Attachment F-2 – Civilian.

**Security Clearance.** Supervisors and Commanders should take appropriate action in line with Department of Defense guidelines regarding suspension of security clearances for cardholders who are delinquent in paying their travel charge card balance or have allegedly misused their cards. Any information that could impact the trustworthiness of an employee should be forwarded to the Security Manager for appropriate review. See Attachment G

**Cardholder Deployment, PCS, or Separation.** The commander should ensure payment of unpaid travel charge card balances and notice to the cardholder's APC are included as items on all deployment, PCS, or separation checklists. In the case of deployments, commanders should ensure that either an accrual process is in place utilizing split disbursement and/or the travel orders reflect that the travel is mission-critical such that it is not reasonable that the individual will be able to file an interim voucher. The APC, based on the travel order designation, can notify the Bank not to take collection actions until 45 days after the designation is removed.

**Internal Review.** Commanders are encouraged to use their Internal Review personnel to ensure adequate oversight and compliance with program requirements. See Attachment H, Commander's Internal Review of the Air Force Individually Billed Account Travel Card Program.

**Program Emphasis.** Require APCs to provide monthly briefings on at least the amount of delinquent GTC dollars, number of GTC delinquent accounts, and number and amount of GTC delinquencies for retired, separated, or deceased Air Force members. Ensure that every Video Teleconference, Major Command conference, and Comptroller Executive Session, which brings together the senior field Financial Managers, includes a review of the GTC on the agenda.

✓ **RESPONSIBILITIES OF AGENCY PROGRAM COORDINATORS (APCs).** At all levels, APCs are appointed by their organizations to perform the day-to-day administrative functions of the Travel Charge Card Program. APCs use the contractor's (Electronic Account Government Ledger System) EAGLS as their primary tool to manage their travel charge card accounts. With EAGLS, APCs have visibility of all cardholder accounts in their immediate hierarchy account and in all subordinate levels. MAJCOM APCs (Hierarchy Level (HL3) have visibility of all travel charge card accounts within their MAJCOM. At all levels, the APC is the focal point for travel charge card actions in their organizations and must keep their commander informed on significant problems and issues. APC duties and responsibilities include, but are not limited to the following:

**EAGLS User Identification.** APCs must obtain an EAGLS user ID and password from the travel charge card contractor's Government Card Services Unit. Point of Contact forms are available at the Government Card Services website: <http://www.bankofamerica.com/government> and must be initiated by the APC at the next higher hierarchy level to request a user ID and password. For example, to obtain a user ID and password for an HL 5 APC, their HL 4 APC would initiate the request.

**Mission Critical Status.** Ensure the individual's travel orders reflect the mission-critical designation if the traveler cannot be reasonably expected to file interim travel vouchers during their TDY. Notify the Bank of the period of mission-critical travel to include a 45-day administrative period so that the individual can receive their travel settlement and pay the Bank. Specifically, an APC can place a cardholder in Mission Critical Status upon receipt of official notice from a supervisor that the cardholder is under official travel orders and performing duties that, through no fault of their own, may prohibit the prompt payment of an outstanding GTC bill. The APC should review GTC accounts in Mission Critical Status each 90 days, and (1) extend Mission Critical Status for cardholders continuing to meet the criteria or (2) remove cardholders that do not and notify their supervisors.

**General Review of Transactions.** Monthly, APCs must review the transactions of at least 10 percent of their cardholder accounts with activity (i.e.: charges or payments). The APC will report any questionable transactions to the cardholder's supervisor for appropriate action. The APC can accomplish these monthly reviews using standard EAGLS reports, which can be scheduled to run on a recurring basis through the EAGLS reporting tool. Further, the APC should brief their supervisor and the commander monthly on at least the amount of delinquent GTC dollars, number of delinquent GTC accounts, and number and amount of GTC delinquencies for retired, separated, or deceased Air Force members.

**Infrequent Traveler Review.** At least semi-annually, the APC will receive a list of active GTC accounts that have not been used in the previous 12 months. The APC should review the listing and submit to the Air Force banking officer, acceptable justification for keeping any account in active status. Any account deemed "adequately justified" by the Air Force banking officer will be removed from the list. All other accounts on the list will be deactivated/closed. Additionally, accounts for which the bank can not identify the cardholder's organization (otherwise known as "orphan accounts") will be included on the listing and will be deactivated/closed unless the APC identifies the correct organization and updates the records at the bank. Accounts deactivated/closed as a result of this review can be reinstated by the APC for up to 6 months. After 6 months, a new application and credit check are required.

**Need for Travel Cards.** Review card usage quarterly and identify/close the accounts of infrequent travelers. Infrequent travelers are individuals who travel one or two times a year (12-month period) or less. Infrequent travelers are authorized to obtain a government travel advance (or, if they choose, to use personal funds or credit cards). Infrequent travelers also may use a Centrally Billed Account (CBA) to meet travel needs.

**Quarterly Reporting of Disciplinary Actions.** Quarterly, prepare the Quarterly Report of GTC Disciplinary Actions (See Attachment I) and submit it to the Air Force banking officer by the 15<sup>th</sup> of April, July, September, and December.

**Delinquency Metrics and Reporting.** Monthly, calculate the GTC delinquency rate and submit to the Air Force Banking Liaison Officer by the 10<sup>th</sup> of each month, an email summary of the causes of any delinquency rate of over 4.5 percent.

**Non-sufficient Funds (NSF) Check Report.** Monthly, run the "Returned Check Report" through the EAGLS reporting tool and report incidents of NSF checks to supervisors for necessary action. Retain a copy of the report and notice to the supervisor.

**Blocked Codes Report.** Monthly, review the "Blocked Code Cardholder Transactions Report" provided by the GTC PMO and report occurrences of charges on blocked codes to supervisors for necessary action. The APC should retain records documenting any cardholder's charges on blocked merchant codes as well as a copy of the notice to the supervisor.

**Misuse of GTCs.** Immediately inform the supervisor and commander/head of the organization of delinquency and/or allegations of improper, fraudulent, abusive, or negligent cardholder use of the GTC. The APC should retain records documenting any cardholder's fraudulent or abusive usage as well as a copy of the notice to the supervisor.

**Travel Charge Card Limits.** Ensure that travel charge card limits are appropriate. The travel charge card has set dollar limits on the amount of charges and cash withdrawals authorized for both standard and restricted cards. APCs can temporarily increase these limits to meet mission requirements, but should do so only when those mission requirements are supported by official travel orders and with supervisor approval. See Attachment C for Official Air Force Travel Charge Card Limits and Approval Authority.

✓ **APC Training.** Ensure that all subordinate APCs are fully trained to perform their tasks. At minimum, training should include:

1. Online training at [http://www.moneychoices.com/course9/travel\\_card.asp](http://www.moneychoices.com/course9/travel_card.asp) as well as any standard DoD-issued training for APC responsibilities.
2. Electronic Account Government Ledger System (EAGLS) from the Bank of America to manage the program and monitor how cardholders are using their cards. The Bank of America offers on-site training for groups of 25 or more and individual training at their Norfolk, Virginia office. Training should be coordinated through your MAJCOM APC.
3. In addition to any DoD-issued standard training for cardholders, APCs should be aware of training offered for cardholders at the following websites:  
<http://fss.gsa.gov/webtraining/trainingdocs/traveltraining/index.cfm>  
[http://www.moneychoices.com/course9/travel\\_card.asp](http://www.moneychoices.com/course9/travel_card.asp).

**Cardholder Applications.** Process applications to establish new travel charge card accounts. APCs will explain to applicants how the program works and what their responsibilities are as cardholders, including notifying the bank and APC of change of address. APCs also must ensure the applicants understand and sign/initial the DoD Statement of Understanding before emailing the application to the bank for processing. It takes the bank approximately 72 hours after email receipt to process a cardholder's application.

**Cardholder Training.** Provide their cardholders with initial training and annual refresher training on the requirements of the Travel Charge Card Program and cardholder responsibilities. To accomplish this training, APCs will use any DoD-issued standard training initially and may use training provided at the following websites for refresher training:  
<http://fss.gsa.gov/webtraining/trainingdocs/traveltraining/index.cfm> and/or  
[http://www.moneychoices.com/course9/travel\\_card.asp](http://www.moneychoices.com/course9/travel_card.asp).

**Records Retention.** Maintain all pertinent records for their cardholders. These records must include: a copy of the cardholder's signed application; a copy of the cardholder's signed DoD



Statement of understanding; and other information applicable to the cardholder (i.e.: delinquency notifications, requests for changes in spending limits, training certificates and any other pertinent information). Due to the sensitivity of the data contained in the files, such data should be maintained in an area that assures limited access. Additionally, the APC should maintain a file of all documentation of account maintenance and exception reports processing, such as completed reviews and notes of NSF's, blocked codes, infrequent use, misuse, etc. Cardholder records can be destroyed 3 years after the later of either closure of the cardholder's account or settlement of any outstanding discrepancy. Documentation of other account maintenance and exception report processing should be retained for 7 years.

**Transfer of Open/Active Accounts.** Must transfer the accounts and a copy of the cardholder's file when cardholders are reassigned within the Department of Defense. The account and file should be transferred to the gaining organization within 30 days of the cardholder's departure. If the transfer cannot be completed due to lack of information or non-responsiveness by the gaining organization, the MAJCOM HL 3 APC should be contacted for assistance. The MAJCOM HL 3 can forward the request for transfer to the Air Force Banking Officer, if necessary.

**Cardholder Separation, Termination, Retirement, or Death.** Close the travel charge card accounts of cardholders who separate from the military service, terminate civilian service, transfer to another federal agency, retire, or die. For separation, termination, or retirement, APCs should be proactive, closing the accounts immediately upon notification of the cardholder status and making every effort to ensure that existing balances are paid prior to cardholder departure. Special attention should be given to individuals who are departing on terminal leave well in advance of their separation dates. To meet this requirement, units should coordinate with their local military and civilian personnel offices to ensure they receive separation notices as soon as possible. See Attachment A.

**Transfer of Separated, Terminated, or Deceased Cardholder's Closed Accounts.** Transfer any closed accounts with balances remaining -- for cardholders that separated, terminated, or deceased -- to the Air Force Retired/Separated/Deceased Account (HL 3040150). This is a holding account for cardholders we no longer control (i.e.: they can not be sent to salary offset). To accomplish these transfers, APCs should submit an email to Ms. Cathy Northington, Bank of America Program Coordinator ([cathy.northington@bankofamerica.com](mailto:cathy.northington@bankofamerica.com)) with a courtesy copy to the Air Force Banking Officer. The email should contain the following information for each cardholder: cardholder's name, social security number, travel charge card account number, reason for the transfer (separation, termination, retirement, or death), the date of that event, and the account balance at closure.